

Economics 315—Winter 2021

Introduction to Money and Banking

Contact Information

- **Instructor:** Thomas Mondschean
- **Email:** tmondsch@depaul.edu
- **Office Hours:** TTh 3:00 to 4:00 and by appointment
- **Location:** DPC 6220 (1 East Jackson Blvd., Chicago IL 60604)
- **Phone:** +1 (312) 362-5210
- **Preferred Contact:** via email first

You can expect a response within 24 hours.

Course Overview

The goals of this course are to:

- examine the major channels of borrowing and lending in the economy, including the instruments and institutions involved in the process;
- learn how financial markets determine interest rates and why different assets earn different rates of return;
- study how the financial system is changing and the economic implications of such changes;
- explore the nature of money and its role in the American economy;
- scrutinize how the Federal Reserve conducts monetary policy and analyze its effects on the economy

This course is required for all business students because the College believes that the information contained in this course is essential to career success in the business world.

This course will be taught as “flex” course. There will be class meetings, but you have the choice of attending face-to-face in class or remotely on Zoom. but I will hold office hours and happy to be available for appointments as needed. The course materials (except for the textbook) will be made available in D2L.

COURSE PREREQUISITES

Economics 105 and 106 are prerequisites for this course.

This is an online/asynchronous course. You must be able to access D2L for this course. You will need at minimum:

- Frequent access to a computer that connects to the Internet.
- A working email account having a depaul ending in the address to access and receive emails from D2L.
- Access to a software suite such as Microsoft Office (Word, Excel, Power Point). Currently-enrolled students receive a subscription to Office 365 Education Plus. Students can install Microsoft Word, PowerPoint, Excel, Outlook, OneNote, Publisher, Access, and OneDrive for Business for the duration of their enrollment. Additionally, students receive OneDrive storage for academic work. More information can be found [here](#).
- The ability to view video files, either in a streaming or downloadable format.

REQUIRED MATERIALS

The textbook for this course is *The Economics of Money, Banking and the Financial System* by Frederic Mishkin, 5th Business School Edition, 2019 (Green Cover). In addition, supplementary readings will be posted on D2L. I reserve the right to assign additional readings of topical interest as the course unfolds. Books can be purchased from the DePaul Bookstore, or online from <http://bookstore.mbsdirect.net/depaul.htm> . Material from class discussions may be included on the exams.

ASSESSMENT

Grading in the course will be based on three exams worth 40, 30, and 30 percent, respectively.
The grading distribution that will most likely be followed is: 90+=A; 86-89=A-; 82-85=B+; 78-81=B; 74-77=B-; 70-73=C+; 66-69=C; 62-65=C-; 58-61=D+54-57=D; and less than 54=F. Each exam will consist of a multiple choice and an essay/problem solving component. Exams are not cumulative.

COURSE SUMMARY AND EXAM SCHEDULE

The breakdown for the material using the chapters of the textbook as a guide is as follows:

- I. INTRODUCTION & OVERVIEW OF THE FINANCIAL SYSTEM
 - Mishkin, Chapters 1, 2, and 3.

II. INTEREST RATE DETERMINATION

- Mishkin, Chapters 4, 5, (pp. 88-101), and 6.

Exam One will cover sections I and II. The multiple choice exam will be made available on February 4 at 9:00 AM and is due on February 5 at 11:59 PM to D2L. The take home exam will be available from Sunday, January 30 and is due on Sunday, February 6 at 11:59 PM.

III. FINANCIAL INSTITUTIONS: BEHAVIOR AND REGULATION

- Mishkin, Chapters 8, 9, 10, 11, and 13

Exam Two will cover section III. The multiple choice exam will be available from Friday, February 25 at noon to Saturday, February 26 at 11:59 PM. The take home exam will be made available on February 20 and is due on February 27 at 11:59 PM to D2L.

IV. MONETARY CONTROL AND MONETARY POLICY

- Mishkin, Chapters 16, 18, and 19.

V. EXCHANGE RATE THEORY

- Mishkin, Chapter 20 and 21

Exam Three will cover sections IV and V. The multiple choice exam will be available from Friday, March 18 at noon to Saturday, March 19 at 11:59 PM. The take home exam will be made available on March 13 and is due on March 20 at 11:59 PM to D2L.

CLASS SCHEDULE

Week 1	INTRODUCTION, DEFINITIONS, WHAT IS MONEY? Chapters 1 and 3 OVERVIEW OF FINANCIAL SYSTEM I Chapter 2
Week 2	OVERVIEW OF FINANCIAL SYSTEM (continued)
Week 3	PRESENT VALUE & RATE OF RETURN MEASURES Chapter 4 BOND SUPPLY AND DEMAND Chapter 5 (pp. 86-102)
Week 4	RISK AND TERM STRUCTURE OF INTEREST RATES Chapter 6

EXAM ONE PASSED OUT (DUE DATES IN PREVIOUS SECTION)

Week 5 ECONOMIC ANALYSIS OF FINANCIAL STRUCTURE
 Chapter 8
 COMMERCIAL BANKING

Week 6 COMMERCIAL BANKING (Continued)
 Chapter 9

Week 7 BANKING INDUSTRY AND REGULATORY POLICY
 Chapter 10 and 11

EXAM TWO PASSED OUT (DUE DATES IN PREVIOUS SECTION)

Week 8 NONBANK FINANCIAL INSTITUTIONS I
 Chapter 13
 FEDERAL RESERVE: ORGANIZATION AND PURPOSE
 Chapter 16

Week 9 FEDERAL RESERVE: GOALS, TOOLS, AND Conduct
 Chapter 18 and 19

Week 10 FOREIGN EXCHANGE RATES I
 Chapter 20 and 21

EXAM THREE PASSED OUT (DUE DATES IN PREVIOUS SECTION)

Technology Support

For technical support, please visit the DePaul Helpdesk at:

<http://helpdesk.depaul.edu>

- Email: tsc@depaul.edu.
- Telephone: +1 (312) 362-8765.

The Helpdesk operates on Central Standard Time and its hours are as follows:

- **Monday – Thursday:** 8 a.m. to 8 p.m.
- **Friday:** 8 a.m. to 5 p.m.
- **Saturday:** 8 a.m. to 4 p.m.
- **Sunday:** Closed

The Helpdesk is closed during all University holidays.

For DePaul software information, visit the [Student Success Technology guide](#).

Accommodation

STUDENTS WITH DISABILITIES

Students seeking disability-related accommodations are required to register with DePaul's Center for Students with Disabilities (CSD) enabling you to access accommodations and support services to assist your success. There are two office locations that can provide you with enrollment information, or inquire via email at csd@depaul.edu.

- Loop Campus - Lewis Center #1420 - (312) 362-8002
- Lincoln Park Campus - Student Center #370 - (773) 325-1677

Students are also invited to contact me privately to discuss your challenges and how I may assist in facilitating the accommodations you will use during this course. This is best done early in the term and our conversation will remain confidential.

ADDITIONAL ACCOMMODATIONS

This course may include instructional content delivered via audio and video. If you have any concerns about your ability to access and/or understand this material in its default format, please notify me within the first week of the course so accommodations can be made.

Office of the Dean of Students

The [Dean of Students Office](#) (DOS) helps students in navigating the university, particularly during difficult situations, such as personal, financial, medical, and/or family crises. DOS assists students with Absence Notifications to faculty, Late Withdrawals, and Community Resource Referrals. They also have resources and programs to support health and wellness, violence prevention, substance abuse and drug prevention, and LGBTQ student services. Virtual appointments can be requested by calling +1 (773) 325-7290 or emailing deanofstudents@depaul.edu.

Counseling Services

[University Counseling Services](#) are operating on a virtual basis and counselors are available for support, crisis management, consultation and community referrals.

If you would like to be contacted by a counselor please leave a message with University Counseling Services: +1 (773) 325-7779. Your call will be returned as soon as possible and within 1-2 business days.

In case of an urgent or life-threatening emergency, please call Public Safety +1 (773) 325-7777, 911, or Advocate Illinois Masonic Behavioral Health Services Crisis Line (if you are in Chicago).

DePaul Central

DePaul Central provides services to help student manage registration, academic planning, financial aid, and payment processes.

Use their services by calling +1 (312) 362-8610 or emailing finaid1@depaul.edu or dpcl@depaul.edu.

Please also see DePaul Central's [step-by-step instructions](#) on how to use [Campus Connect](#).

Student Evaluations

At the end of this course, you will be provided with the opportunity to evaluate this course. Course evaluations provide valuable feedback that can improve teaching and learning. The greater the level of participation, the more useful the results. As students, you are in the unique position to view the instructor over time. Your comments about what works and what doesn't can help faculty build on the elements of the course that are strong and improve those that are weak. Isolated comments from students and instructors' peers may also be helpful, but evaluation results based on high response rates may be statistically reliable (believable). As you experience this course and material, think about how your learning is impacted. Your honest opinions about your experience in and commitment to the course and your learning may help improve some components of the course for the next group of students. Positive comments also show the department chairs and college deans the commitment of instructors to the university and teaching evaluation results are one component used in annual performance reviews (including salary raises and promotion/tenure). The evaluation of the instructor and course provides you an opportunity to make your voice heard on an important issue – the quality of teaching at DePaul. Don't miss this opportunity to provide feedback!

Academic Integrity

Work done for this course must adhere to the University Academic Integrity Policy, which you can review in the Student Handbook ([Undergraduate Student Handbook](#) and [Graduate Student Handbook](#)) or by visiting [Academic Integrity](#) at DePaul University.